



March 6, 2020

Dear Sirs

Company Name: Mitsui Matsushima Holdings Co., Ltd.  
Representative: Tsuneo Amano, Representative Director and President  
(Stock Code 1518, First Section of the Tokyo Stock Exchange and Fukuoka Stock Exchange)  
Contact: Taishi Yoshioka, Managing Executive Officer  
TEL.: +81-92-771-2468

**Notice of Stock Acquisition (Subsidiary Acquisition) of Sansei Denshi Co., Ltd.**

On March 6, 2020, a resolution acquiring 100% of the shares of Sansei Denshi Co., Ltd. (Sansei Denshi) was passed by the board of directors of Mitsui Matsushima Holdings Co., Ltd. (the Company), making the company a wholly owned subsidiary. The details are as follows.

Description

1. Reason for Stock Acquisition

The Mitsui Matsushima Group bears policies that it will aggressively invest in the non-coal production business in line with the medium-term management plan (covering 5 years) that was formulated in November 2018. Additionally, this stock acquisition is implemented according to its policies.

Sansei Denshi manufactures and sells production facilities and/or measurement devices for crystal devices that need to be embedded in various electronic communication devices, including vehicle-mounted devices, smartphones, and home appliances, for them to control an electronic circuit. Sansei Denshi is the only device manufacturer that can produce and construct in-line systems which broadly cover steps from the assembly to the inspection of the production processes of crystal devices in Japan. Sansei Denshi also has more than 50 years of experience in providing products and showing advanced technical capabilities cultivated along with the development of crystal devices. In addition, it has established its direct sales network by building strong and trustworthy relationships with clients and customers both at home and abroad.

Technological innovation, including miniaturization, has occurred at certain intervals in the crystal device market. Consequently, crystal device manufacturers have invested in facilities and/or equipment based on each innovation. Thus, as the company's devices with cutting-edge technical capabilities can always be applied to the smallest crystal devices, the demand for its products is expected to steadily increase over the medium and long term owing to a wider use of its products in promising areas, which include electrical components that are used for automobiles and communications infrastructures that are compliant with 5G technology.

## 2. Management System After Stock Acquisition

Several persons from the Mitsui Matsushima Group will assume the post of director(s) and auditor(s). However, Mr. Tadashi Uchino will still continue to act as the representative director and president, and the current executive officers will then be appointed as directors. Furthermore, the Company respects the present conditions, including the employment conditions of employees and the relationships with business partners, and it also intends to maintain such conditions even after the stock acquisition.

## 2. Outline of New Subsidiary

(1) Name	Sansei Denshi Co., Ltd.		
(2) Location	11-8, Iwado Kita 1-chome, Komae-shi, Tokyo, Japan		
(3) Representative name and title	Tadashi Uchino, representative director and president		
(4) Business operations	Production and sales of measurement devices/production facilities for crystal devices and related hardware and software products		
(5) Capital	50 million yen		
(6) Date of establishment	October 7, 1963		
(7) Major shareholders and stock ownership ratio	This will not be described because the seller is a private person.		
(8) Relationship between the listed company and new subsidiary	Capital relationships	Not applicable	
	Personal relationships	Not applicable	
	Transactional relationships	Not applicable	
(9) Operating performance and financial status of the new subsidiary for the past 3 years			
Financial accounting period	FY2016	FY2017	FY2018
Net assets	3,344 million yen	3,927 million yen	3,932 million yen
Total assets	5,898 million yen	6,448 million yen	4,934 million yen
Net assets per share	236,213.21 yen	277,443.34 yen	277,803.72 yen
Net sales	3,873 million yen	6,337 million yen	2,793 million yen
Operating profit	582 million yen	668 million yen	71 million yen
Ordinary profit	561 million yen	709 million yen	155 million yen
Net profit	560 million yen	592 million yen	26 million yen
Net profit per share	38,751.86 yen	41,852.84 yen	1,847.66 yen
Dividend per share	700 yen	1,410 yen	1,410 yen

## 3. Outline of Seller

(1) Name	This will not be described because the seller is a private person.	
(2) Address	This will not be described because the seller is a private person.	
(3) Relationship between the listed company and the said individual	Capital relationships	Not applicable
	Personal relationships	Not applicable
	Transactional relationships	Not applicable

## 4. Number of acquired shares, acquisition price, and status of retained stock before and after acquisition

(1) Retained shares prior to acquisition	0 shares (No. of voting rights: 0) (Percentage of voting rights: 0%)
(2) Number of acquired shares	9,135 shares (No. of voting rights: 9,135)
(3) Acquisition price	It will not be disclosed due to confidentiality obligations between the parties.
(4) Retained shares after acquisition	9,135 shares (No. of voting rights: 9,135) (Percentage of voting rights: 100%)

## 5. Schedule

(1) Date of resolution of board of directors	March 6, 2020
(2) Contract date	March 6, 2020
(3) Planned stock transfer date	April 1, 2020

6. Acquisition funds

Cash in bank and cash on hand as well as bank borrowing will be used.

7. Future projections

The consolidated financial results for the fiscal year ending in March 2020 will not be changed by the stock acquisition. Moreover, the consolidated financial forecast for the fiscal year ending in March 2021 will be released in the summary of consolidated financial results for the fiscal year ending in March 2020 (to be released on May 13, 2020).